Amendments to the Specification:

On page 12, please replace the paragraph beginning at line 1 and ending at line 10, with the following amended paragraph:

Let ~~[[r]]~~ ρ be the probability of success of a bet in this model at expiry time t. The present value of this bet thus becomes:

$$\text{~~P = exp(-rt)r~~}$$
$$P = \exp(-rt)\,\rho$$

where P is the present value (or fair price) of the bet, r is the interest rate, and t is the time to maturity. We denote:

$$X_t = \log(S(t)/S)$$

and

$$v = r - g - \frac{\sigma^2}{2}$$

where S(t) is the asset price at time t, t is the time to maturity, S is the initial asset price, r is the interest rate, g is the dividend rate and s is the volatility.